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SAVA 73-95

5 June 1973

MEMORANDUM FOR: Mr. William E. Colby

SUBJECT : Gratuitous Suggestions

1. Attached is the paper I mentioned during our conversation last Saturday (2 June). It is a personal endeavor written for you alone. For obvious reasons, you are its only recipient. I hope it is of some use and help.

2. This paper focusses on the Agency, not the community, and often does not mention or discuss applicable community considerations. For example, I argue that our regular publications should be Agency publications (not the issuances, or property, of a particular directorate). This, of course, does not preclude some of them being coordinated with other members of the community. Similarly, some of the "whizzers" or spot analyses of the White House support staff could, and should, be coordinated with other community components. Before we tackle the community, however, we need to be sure our own house is in order. The community -- and your institutional role as its leader and manager -- is a proper subject for a separate paper.

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George A. Carver, Jr.
Special Assistant for Vietnamese Affairs

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MEMORANDUM FOR: Mr. William E. Colby

SUBJECT : Contemplated Heresies --
Some Minor, Some Not

I. PREAMBLE

1. Stimulated by our recent conversation, I have done a considerable amount of private musing about how the Agency might be structured to meet demands and challenges of the next decade or so. I started by thinking about the particular office you and I have discussed, but found that pulling one thread inevitably led to the whole tangle.

2. The basic outlines of our present structure -- as you well know -- evolved by both design and accident as an institutional response to the requirements of World War II and the initial two post-war decades. Much of it is sound, but some of it needs re-examination -- not because it necessarily reflects error or original sin but simply because the world and the intelligence business have changed and evolved since this structure was created. No matter how cogent the arguments may have been a decade or two ago for doing business in particular ways, the inventions of our predecessors should not be allowed to become Procrustean beds complicating our address to today's challenges or those of tomorrow. On the other hand, we should eschew change for its own sake. Though some change is bracing and pulls people out of ruts, too much in too compressed a time frame can produce unsettling confusion and disorientation, yielding results that for all their theoretical advantages have a net negative practical effect.

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3. Outlined below as a point of departure is a schema for the Agency. It has flaws, some recognizable even to its author. It is not offered as a final solution but as a stimulus to dialectic discussion (the sand grain which ultimately generates a pearl, after all, is initially an irritant to the oyster). The suggested schema involves a number of heresies -- some minor, some not. Its object is to assign responsibility for each of the Agency's major functions and duties to a single senior subordinate in a manner that would leave you and your principal deputy free to allocate your time any way you deem desirable -- i.e., you and/or General Walters (at your direction) could concentrate on whatever seem to be the moment's most pressing concerns, confident that every one of the other major Agency responsibilities is receiving the full time and attention of a qualified senior officer accountable directly to you. This would give you maximum discretionary latitude in the apportionment of your time and, simultaneously, continuing total control over the Agency and the community.

II. POLICY SUPPORT

4. One new institutional component in this schema is a modified variant of what we jointly developed and proposed as an NSC support structure. Actually, that is a slightly misleading label. The NSC, as you know, meets seldom and -- institutionally -- does little. What we are really talking about is support to (primarily) Henry Kissinger and his staff (which is somewhat inaccurately labelled the "NSC Staff"). What we mean, generically, is support to the President (the office, hence the individual who holds it) and those whom he selects as his senior counsellors/advisors on foreign policy matters. Such a title may be a political or cosmetic no-no-, but the head of this proposed new component would/should function as your Deputy for Policy Support.

5. This office would constitute the primary -- not sole, but primary -- Agency channel to and/or point of contact with Dr. Kissinger, the latter's staff, and any other emergent centers of foreign policy guidance and counsel to the President, e.g., John Connally, the Secretary of Defense, a re-energized Secretary of

State, etc. It would be the single Agency number which its top-level customers could call for any service, aid or support (of any kind) they wanted from the Agency. Conversely this office, on your behalf, could harness and/or task all of the germane resources of the Agency that relate or have a potential input to any such request.

6. As here envisaged, this office would have about two dozen people.

a. A chief (with two secretaries).

b. A panel of "Director's Assistants," each a senior (though not necessarily elderly) officer with a GS-18 slot. Each Director's Assistant would have a specific geographic or functional area of responsibility: for example, Southeast Asia, China and North Asia, the Middle East, Western Europe, Latin America, the Soviet Union (including SALT/MBFR matters), Energy/Economics, possibly Africa. Collectively these areas of geographic/functional responsibility (which could and should be adjusted or shifted from time to time) would span the spectrum of the President's major foreign policy concerns -- immediate or imminent. At any given moment the actual number of such Assistants -- one of whom would be the chief's principal deputy -- would vary between, say, seven and ten.

c. Each Assistant would have one secretary (of his choice) and one junior associate (GS-13/14/15) to help him. The latter would be a bright, hard-charging younger officer of demonstrated promise who -- in his interests and those of the Agency -- should probably serve in this capacity on a two-year rotational detail.

d. In addition, there would have to be a small secretariat to handle files, paper flow, etc. -- ensuring that everything got to the right place and nothing to the wrong one.

7. Each Director's Assistant would be the senior Agency referent in his functional/geographic area -- along lines and in ways we have previously discussed and, hence, will not be repeated at length here. He (which here and throughout means "he or she") would have two sets of responsibilities:

a. First, to support you by being completely on top of, and up to the minute on, all aspects and ramifications of his geographic or functional area of responsibility and all Agency activities (of every kind: operational, analytic, technological, developmental, etc.) related thereto. He would have or could quickly get the best available answer to any question you wanted to ask about his area and be knowledgeable of any aspect of it you wanted to discuss. In short, he would always have your homework done for you on that area and be available to brief or support you (e.g., in a suddenly called White House meeting), on no notice, at any time.

b. Second, to be your spokesman and referent outside the Agency on that geographic or functional area capable, as already indicated, of harnessing all pertinent Agency resources (and knowing what these resources are) to focus on any aspect of this area in response to a top-level outside request for information or support.

8. The Narcotics Function. Should a unit such as that here sketched be established, with a component panel of Director's Assistants, thought should be given to the question of whether this staff was not

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the optimum home for the senior Agency referent on narcotics matters. Logic would suggest that it should, though logic is often a fallible guide to what works best in the untidy real world.

9. The Estimates Function. A structure such as that just described could subsume and supplant the present Board and Office of National Estimates -- provided certain changes were made in the way estimates are produced. (Such possible changes should be carefully considered on their own merits, whether or not there is any organizational restructuring along the lines outlined above.)

a. First, terminology. The term "estimate" is a generic word. "National Intelligence Estimate (NIE)" and "Special National Intelligence Estimate (SNIE)" are terms of bureaucratic art with specific denotations. They refer to documents of a particular kind (traditionally bound in a blue cover) which are produced via a special kind of inter- (and intra-) agency coordination, reviewed and endorsed, formally, by the USIB and forwarded in their unique format as the DCI's Estimate (capital "E," special term).

b. The annual output of NIEs/SNIEs (i.e., capital-E "Estimates") would have to be drastically curtailed to, say, not more than a dozen or so -- at the outside. The Chinese and Soviet military/force structure Estimates (capital-E) should probably continue to be turned out annually on approximately their present schedules, but there should be no other fixed stars on the NIE/SNIE horizon.

c. Senior policy-level consumers would submit requests for NIEs/SNIEs either directly to the DCI or via his Deputy for

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Policy Support. Each such request would be fish-eyed and approved only if the DCI felt this was the optimum mechanism/art form to meet that given requestor's particular needs. (Often a memo from some Agency component, or a coordinated Agency memo, or a joint CIA-DIA memo would be a more helpful and appropriate response to a particular, specific request.)

d. Once the DCI had approved doing an Estimate (capital-E) on a given subject, his policy support deputy and the latter's assistant for the area/problem in question would jointly nominate a Chairman for that particular Estimate. Their nominee would have to be approved by the DCI and, once approved, would be appointed by him (qua USIB Chairman) to supervise preparation of that Estimate.

e. Frequently (but not always) the Estimate Chairman would be the Director's Assistant for the area/problem in question. In some instances, he would be a senior Agency officer from some other Agency component, even a Station Chief recalled TDY to Washington for that specific task. In other instances, the Estimate Chairman would/should not be an Agency officer at all but, instead, an appropriate senior officer from, say, DIA or INR.

f. The Estimate Chairman -- who could work in the Policy Support Group's offices -- would then pick a small task force (in many cases, one or two officers would suffice) to help him research the

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problem, levy requests for inputs from other agency/community components, draft the paper and handle working level coordination and submission of the coordinated draft to the USIB. These assistants would/could also be picked from any USIB component, not just the Agency.

g. The present NIE/SNIE format of agreed (master) text and dissenting footnotes should be drastically modified -- not abolished, but modified. Footnotes could/should be used to express a given USIB member's dissent with, say, a single sentence or number/range. Where there is basic substantive disagreement on, say, interpretative judgments (e.g., Hanoi's near term intentions) the lowest common denominator mush approach and the agreed text/dissenting footnote format should both be eschewed. Instead, the alternative hypotheses/interpretations should both (all) be set forth and vigorously argued in the main text, with a notation describing who subscribes to which thesis. In this format, even agencies need not have unanimous or homogenized views -- e.g., it could be noted that "Case A" reflects the views of State, some analysts in CIA and some in DIA, while "Case B" presents those of other DIA and CIA analysts, plus their NSA, ACSI, AFNIN and ONI colleagues. The Chairman would have to exercise discretion and judgment to keep this system from getting out of hand, but properly employed it would air rather than

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mask legitimate differences of informed opinion and give the customer a more enlightening response to his query.

h. To make the above system work, there would have to be a small secretariat (one or two competent people) to keep the books, assign the proper numbers and maintain the necessary records. This responsibility could be folded into the Policy Support Group's secretariat, if you opt to go the whole route sketched above. Also, in selecting Estimate Chairmen and their staff collaborators, the literary and editorial skills of the individuals under consideration would obviously have to be carefully weighed.

10. The Human Problem. If one pursues the route sketched above, and other suggestions presented below, the Board and Office of National Estimates would disappear. The human problems this would in turn entail are real, valid, and should not be ignored. The ONE staffs, the secretaries, and other more junior members of the Office could be fitted into any of several of the components proposed in later portions of this memorandum. The real problem would be the present Board. Some of its members have already announced an intent to retire this summer, but some have no such plans. (My possibly erroneous impression is that the latter group includes [redacted])

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[redacted] These are senior officers, all supergrades and some GS-18s. Some of their respective careers have been more distinguished than others', but both institutionally and individually they have rendered service to the Agency that -- in decency and equity -- cannot be ignored. No matter where each is subsequently placed, the matter will be a delicate one for obvious reasons. Though the Agency's needs have to transcend personal considerations, it is wrong to kick people in the teeth

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for doing what they were asked and -- heretofore -- expected to do. Nor, if at all avoidable, should any individual's lifetime career be ended on a sour note. Each case would have to be considered individually and imaginatively, with canons of decency and fairness transcending any narrow interpretation of personnel regulations. As you well know, the importance of "face" is not confined to the far shores of the Pacific.

III. PRODUCTION

11. The next institutional change I would recommend is detaching OCI from the Intelligence Directorate and making it a separate Office or Directorate of Production.

12. This new component would have two basic, inter-related responsibilities:

a. To put out all regular Agency publications, i.e., ones issued on a set, periodic schedule.

b. To manage and handle the Watch Office function.

13. Basically, the Production Office would be a city-desk, rewrite staff engaged in producing classified newspapers and magazines. The office should be as small as possible in size and the number of regular publications for which it is responsible should be pared to the bone, resulting in a mix about as follows:

a. Eliminate the CIB in all its variants.

b. Slightly expand the PDB (changing its title) and make it a daily highlight newspaper designed for Cabinet/sub-Cabinet level readers, with concomitant freedom in using highly classified material.

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c. Handle the President's needs (i.e., Kissinger's) via the White House support staff as recently constituted, with its "whizzers" and spot analyses.

d. Use the Weekly Review (OCI's most useful publication and probably the one most highly regarded by our customers) as the primary vehicle for keeping the community's working levels informed of how we regard the evolving world. The Weekly (already good) could become a kind of classified mini-Time Magazine, using articles from all Agency components -- many of which could and should be signed by their authors.

e. Scrub all but the absolutely unavoidable special regular publications (e.g., the (now) thrice-weekly Vietnam Cease-Fire Developments).

f. Consider doing a monthly or quarterly publication composed almost entirely of speculative or contentious articles by individuals, throughout the Agency, on matters of substantive interest (a classified Foreign Policy, not a rival to Studies in Intelligence). Analysts holding divergent views on important matters, for example, could be encouraged to debate each other in print for the edification and enlightenment of their community colleagues.

14. The main reason for pulling this production component out of the present Intelligence Directorate is that its publications should be Agency publications, not the issuances of a particular

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directorate. Its writers and editors should draw freely, and impartially, on the views, insights and output of all other Agency components, without being bureaucratically linked to any of them.

15. Even with its fixed publication output pared to the bone, this office would be a pressure cooker. Its members would all be working against the stress of deadlines and many of them would be doing the shift work necessary for around the clock manning. There would probably be a hard core of newspaper types who might thrive on a steady diet of such stress, but many would not. The latter difficulty could be solved by rotation -- i.e., detailing to this office for a fixed time (one year or two) able and qualified people from all other Agency components. This would give freshness and resilience to this unit's staff and, at the same time, would benefit the rest of the Agency in a variety of ways, including (over time) that of sprinkling it with people who had experienced the discipline of having to write tight, readable prose under deadline pressure and the related discipline of having to winnow the welter of available information to select the essentials of importance to our policy-level consumers.

16. Though the bureaucratic problems would be extensive and require hard, dispassionate examination, serious consideration should be given to detaching the reports function from the DDO and folding it into the new production component. Reports officers overseas would then become reporters, feeding nuggets and story components back to their "city desk" in Washington. By assignment rotation, you could create a situation in which those who wrote the stories printed in Washington had actually lived and worked in the areas about which they were writing.

IV. ANALYSIS

17. Under this schema, the present Directorate of Intelligence would be rechristened the Directorate of Analysis ("Research" sounds too passive and ivory-towered). As its name indicates, it would be responsible for continuing analysis and research on problems and areas of foreign policy significance. The results

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of such analysis and research would be published by this directorate and/or its several components. These publications, however, would be different from -- complementary to and not competitive with -- the regular, (i.e., time-rhythmic) output of the production element. The Analysis Directorate as here envisaged would encompass the components outlined below.

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18. Office of Political Analysis. This component could be staffed largely by personnel now in OCI and the present staffs of ONE (indeed, it might be headed by a former Board member such as [redacted], plus the present DDI's Special Research Staff. It would be responsible for continuing analysis and research on the world's political problems and their dynamics. Its members would produce the kind of papers now appearing as annexes to OCI publications or the very good papers and memoranda done by members of the ONE staff as "extra duty" because they are not easily shoe-horned into the Estimate (capital-E) format. Such a staff would of course have to be responsive to customers' requests, with their time deadlines and specific terms of reference. Nonetheless, freed from the requirements of regular publication deadlines and the strait-jacket of an Estimate format, this staff's officers would have time to think and the freedom to write in a style and manner they deem best suited to their subject's requirements. Some of this staff's output would be separately published, some would be incorporated in the production components publications or run as signed articles therein. Under the right kind of leadership, this could be a vigorous, exciting and enormously useful entity. Dissent, debate, iconoclasm and individuality would be encouraged. Members of this office proposing serious, valid long-term research projects would be allowed to pursue them even if they took months to complete. Analysts would publish much of their output under their own names, gaining recognition and personal credit for their work.

19. The internal organization of this component is something on which its first head should have a vote. For obvious reasons, however, there would be some merit in incorporating a geographic breakdown that matched the alignment of the DDO's area divisions.

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20. Office of Economic Analysis. This would basically be the present Office of Economic Research, which already does an excellent job and should not be unnecessarily jiggled, OER (and ORR before it) used to be over-concentrated on the Communist Bloc, but its scope has progressively broadened in recent years. This process should be continued and encouraged. Care should be taken to ensure that this office is institutionally structured in a way that gives proper attention and focus to liquidity/balance of payment questions, multi-national corporations and energy problems. The latter have special, complicating aspects discussed separately in paragraph 26 below.

21. Military and Scientific Analysis -- the Interface with DDS&T. There are two other separate -- though clearly inter-related -- areas of analysis which need to be covered: the military and the scientific. Scientific matters obviously bear heavily on military capabilities (e.g., missile technology) but the two fields are not the same and should be recognized as distinct.

22. At the moment, these two areas, institutionally, are a tangled cat's cradle.

a. ONE has a military staff which does estimates on Soviet and Chinese military capabilities.

b. The DDI has:

(1) The Office of Strategic Research with its Programs Analysis Division, Asian Communist Forces Division, Regional Analysis Division, and Soviet and Eastern European Forces Division.

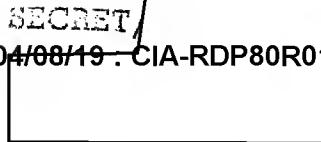
(2) The Imagery Analysis Service with its Military Division, Missile Division, Regional Studies Division and Scientific and Industrial Division.

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c. The DDS&T has (among other things):

(1) The Office of Scientific Intelligence with its Physical Sciences and Engineering Division, Nuclear Energy Division, Life Sciences Division and Defensive Systems Division.

(2) The Foreign Missiles and Space Analysis Center (FMSAC).

(3) The National Photographic Interpretation Center (formerly part of DDI) with its Imagery Exploitation Group, Missiles and Space Division, Scientific Division and its South, West and East Geographic Divisions.

(4) The Office of ELINT (OEL) with its Special Systems Operations Center and its Analysis Division.

d. There are a few miscellaneous strays ranging from the USIB Committee on Imagery Requirements and Exploitation (COMIREX) and the USIB SIGINT Committee to the Foreign Material Staff of the DDO.

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23. Despite the often brilliant work done by the above offices and the outstandingly able officers who can be found in all of them, in this total mix there is clearly a significant degree of overlap and duplication of the kind that inevitably breeds confusion and argument largely jurisdictional in nature. Sorting out and rationalizing this tangle is not an easy task, particularly since the real world with its real requirements is neither tidy nor necessarily logical, and hence the boundaries between the

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proper, important functions of all of these offices are by no means self-evident. Indeed, there are several eminently defensible ways in which they could be sorted out, no one of which could legitimately be presented as perfect.

24. My working principle of division is the distinction between analysis (broadly defined) and collection (ditto), acknowledging at the outset that there are grey areas and borderline cases where assignment to one category or the other is perforce arbitrary. Using this principle of division, I would be inclined to group all of the analysis functions and activities in one directorate and all the collection functions in another. There are several reasons for this, including the obvious ones of logical elegance and consistency. One reason is the ineradicable human factor. It is preferable (and not just for appearances sake) if there is no bureaucratic interlock between analysts of a given body of data and those who operate collection programs which provide some of that data.

25. Pursuing this rationale, within the Analysis Directorate I would place the following three components:

a. The Office of Scientific Analysis, which would encompass most (though not all) of the present OSI and to which FMSAC would be appended as a quasi-independent body.

b. The Office of Military Analysis, which would be built around (and encompass) the present OSR and the military staff of ONE.

c. The Imagery Analysis Service, which should be a staff appended to the DDA's office supporting and servicing all components of the Analysis Directorate.

26. The Energy Problem. Energy questions and factors directly or proximately related thereto are clearly going to be matters of major (and probably increasing) Presidential concern for the foreseeable future. They have domestic and foreign ramifications, with the latter obviously having political, economic, scientific and strategic/military aspects. Energy

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crosses so many geographic and functional lines that it is hard to fit in any conventionally-rooted organizational matrix. The most logical place for the basic analysis account is probably the Office of Economic Analysis, though cogent arguments could also be advanced for putting it in the Office of Scientific Analysis. (Other respectable arguments could, of course, also be made for putting it some place else.) In any event, there should undoubtedly be an Energy Officer on your panel of Director's Assistants in the Policy Support group, and he will have to orchestrate a continuing task force drawn from elements throughout the Agency.

27. Rounding Out the DDA Package. The Analysis Directorate should also have two more components:

a. An Office of Geographic Analysis, which would, in essence, be the present Office of Basic and Geographic Intelligence. This could be made a separate DDA component, appended as a staff support element to the DDA's office or set up as one branch (a big one) of some other component such as the Office of Scientific Analysis.

b. [redacted] I would split up the present Central Reference Service (CRS), apportioning the Information Services Group to the several analytic components which its officers directly support and turning over to the DDM&S (where I think they more properly belong) the Agency-wide "common concern" services, such as the Library and the Support Services Group. [redacted]

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V. TECHNICAL COLLECTION

28. Under the concept here presented, the current Directorate of Science and Technology (whose name could be shortened to the Directorate of Technology) would be responsible for the management of all of the Agency's technical collection programs, plus the research and development of the techniques and hardware related thereto. This responsibility would also encompass that of serving as the Agency's voice in national collection efforts of a technical nature (e.g., the NRO).

29. As here envisaged, the Technology Directorate would keep much of what now belongs to DDS&T, i.e., OEL, OSP, ORD, OSA

30. The Technology Directorate is also the proper home for NPIC.

31. TSD (now OTS) should remain in the Technology Directorate, but here we have a good illustration of how I would differentiate this Directorate's responsibilities from those of the DDO.

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[REDACTED] This obviously presumes a close, effective liaison between the two directorates, but unless we can get all directorates pulling together as reciprocally supporting components of one Agency, we are dead in the water anyway.

32. One change I would recommend would be the centralization within the Technology Directorate of all procurement and contract negotiations on technological hardware. This responsibility is now scattered in various DDS&T components, in the DDO and in the R&D contracts section of the Office of Logistics' Contracts and Management Branch. The amounts of money involved in technology contracts is enormous (hardware merchants all seem to think in six digits for openers) and the shell games worked with "bread-board" items, "prototypes," "engineering concepts," "shelf items," "state of the art," etc. would make a hardened carney con artist blush. This is no field for neophytes or fleece-bearing lambs. The management, and responsibility, in this area ought to be clearly fixed in one place. (This for many reasons, including that of eliminating the risk that one Agency component will fund R&D work for an item that already exists on the shelf of a separate contractor in another Agency component's stable.)

33. The demarcation between the Technology Directorate's responsibilities and those of the Analysis Directorate (I think "interface" is the fashionable term) is not easy to define -- conceptually or practically. In the conceptual area, for example, verification questions -- a major component of SALT -- clearly involve a great deal of sophisticated analysis, but they would seem to me to be the province of the DDT rather than the DDA, since they hinge on judgments about the capacities and capabilities of U.S. collection devices and techniques, including those of this Agency which would be managed by the DDT. In the practical or real world sphere, Carl Duckett is rightly regarded, by Kissinger and others, as a national asset and the guru on SALT-related exotica whom Henry

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is accustomed to consulting. An established relationship that clearly works to further the national interest should not be tinkered with just to keep one's organization charts tidy.

VI. HUMAN COLLECTION AND OPERATIONAL ACTIVITY

34. The Operations Directorate, under this schema, would have four main areas of responsibility:

- a. Human collection (i.e., the acquisition of intelligence from human sources).
- b. The conduct of technical collection operations where there is a predominant human element, e.g., where the covert implantation or servicing of technical collection devices has to be done by human beings.
- c. Covert political action activities, including paramilitary activity, deception, psychological warfare and black propaganda.
- d. Counter-intelligence and counter-espionage.

35. I would centralize all Agency activities in the above four fields under the management of the DDO.

- a. This would place the [redacted] in the DDO, to which it has recently been moved and where I think [redacted] properly belongs.

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36. The internal structure of the DDO has recently been studied by persons far more knowledgeable in this field than I. In this sphere, therefore, I will limit my comments to three suggestions.

37. First, the CI Staff should be invited to join (or re-join) the Central Intelligence Agency.

38. Second, the Station Chief's role and position should be somewhat upgraded. He is now the senior Agency officer in a given country and also the DCI's personal representative.

a. His first position should be strengthened by reducing to an irreducible minimum the conduct of Agency activities in a given country not under the command jurisdiction of the Station Chief therein (see paragraph 37 above).

b. His second role should be strengthened -- if necessary by new, or revised, NSCIDs and/or DCIDs -- to the point where he is the acknowledged and accepted manager of the "intelligence country team" in any country and the channel through which all activities of the mini-U.S. intelligence community in a given country are reported to the U.S. Ambassador in that country.

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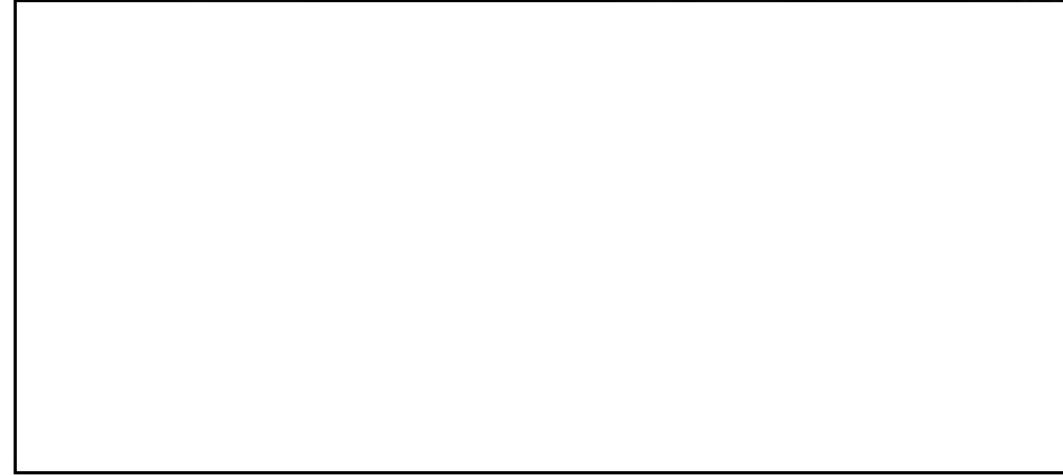
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VII. HOUSEKEEPING

40. The Directorate of Management and Services (I personally liked the old name "Support") which Mr. Schlesinger restructured and re-energized seems to me to be basically well set up to take care of the essential internal "common concern" services and housekeeping functions. In this area, I offer only the following few comments:

a. The decision to centralize the computer function in and under the DDM&S was long overdue and should not be undone.

b. Whether we know it or not, we have the best security office in the government, combining professionalism with humanity, reasonableness, a sense of proportion and (when appropriate) a sense of humor. This is due in no small measure to Mr. Osborn's leadership. That, in turn, vindicates the wisdom of putting a first rate line generalist in charge of a specialized staff function.

c. As indicated earlier (paragraph 27-b above), I would recommend transferring most of the Central Reference Service's functions to the DDM&S, [redacted] which I would modify but leave in the DDA.

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d. As also indicated earlier (paragraph 32 above), I would centralize R&D contract management and the procurement of technological hardware in the Technology Directorate rather than DDM&S.

e. We need to do some tinkering with our personnel management system, to which a separate section of this paper is devoted (see Section IX below).

VIII. THE DCI'S COMMUNITY ROLE

41. The bulk of this paper concentrates on internal Agency matters. As you are well aware, however, the DCI wears several hats. He is the administrative head of the CIA, but he is also -- separately -- the President's senior intelligence officer and, as such, head of the intelligence community (and Chairman of the USIB). This latter role, as you also well know, is somewhat ambiguous and ill-defined. It is a proper subject for a separate paper and will not be addressed in detail here. To fulfill that role, however, you will need stronger staff support than NIPE/NIRB was able to give Mr. Helms. The concept of an Intelligence Community Staff implemented by Mr. Schlesinger strikes me as being the right road to travel. The IC Staff should be able to watchdog the total U.S. Government/Intelligence Community budget. It should also be able to keep you apprised of what other community components are actually doing, how well they are doing it, and what their problems are (a somewhat tricky problem since these are matters on which NSA, DIA and the service intelligence components will not be instinctively inclined to be candid or forthcoming). I think the IC Staff should not look like an Agency parish or instrument of Agency -- as opposed to DCI -- control over the rest of the community. Its Chief (your deputy for community matters), as is now the case, should be drawn from some other community component and the Staff itself should be a mix drawn from throughout the community, with the Agency representation properly proportional and not overwhelming or conspicuous enough to engender legitimate concerns about favoritism or bias.

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IX. PERSONNEL MANAGEMENT

42. The Agency's primary resource is its people. On their competence, efficiency, productivity and attitudes we stand or fall. Thus there is no subject of greater continuing importance to the DCI and/or his senior subordinates than the management of our personnel system. The latter should reinforce and support our long term goals and major policies, though under present arrangements it often does not.

43. One thing that would clearly benefit the Agency as a whole would be to get all of our employees in the frame of mind where they think of themselves as Agency members working primarily (at all times) in the furtherance of Agency interests. Lip service is of course paid to this concept, but it is a wishful, fictional depiction of current reality. In deed if not public word, our employees today generally think, and act, as members of a given directorate or component thereof. ("We can't show that to the DDI." "FE (oops, EA) already has four GS-15s on the promotion list, NE deserves its share." "Never mind the DDO submission, what do they know about writing estimates." "Let's send this one directly to the White House and not tell those busybodies in SAVA." "Would you please ask Mr. [redacted] to rewrite and resubmit his resignation to make it effective as of the end of a pay period." Etc., etc., etc.)

44. One device that would help alter attitudes such as those just outlined, stimulate a "one Agency" climate and produce a wealth of other benefits, would be cross-fertilization -- inter-directorate transfers or details -- at all levels. The schema presented in this paper deliberately sets up a number of areas for rotational assignment. The Director's Assistants in the Policy Support Group, for example, could and should be drawn from throughout the Agency, as should these Assistants' junior associates. The Production Component would have to be continually fleshed out by officers detailed from other components. Many case officers, and their parent directorate, would benefit from a rotational tour with the Office of Political Analysis, or one of the other DDA components. DDA officers (particularly ones from the Office of Political Analysis) could and should be [redacted]

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[REDACTED] Senior DDS&T and DDO officers (including serving Station Chiefs) could and should be tapped to chair Estimates. More junior officers in these directorates could and should be tapped to assist Estimate Chairmen as their staff drafters and legmen.

45. Lateral entry/rotational assignment in fields requiring experience and special skills does pose problems -- though these problems are not quite as great as parochial cultists are wont to contend. Despite a few individual exceptions, a GS-14/15 level DDI careerist (from, say, OCI or OER) is not qualified to step into an equivalent line command position in the overseas operations field. If we wanted to attenuate this obstacle, however, we could do so by training a high proportion of CT's as case officers, giving them one overseas operational tour before letting them go to the DDA, then rotating them periodically throughout their careers. Furthermore (a real heresy), in many Stations there is no absolute need for the Station Chief to be a DDP/DDO careerist, provided he is a competent, experienced, imaginative intelligence officer with some administrative flair and can be given the right deputy. (There are of course some posts, e.g., ones in denied areas, where the Station Chief almost has to be an experienced operations officer, but there are nonetheless many Stations in which this requirement is markedly less essential.)

46. Our present personnel system hinders rotational assignment far more than it facilitates such moves. For openers, there is always the slot problem. Furthermore, despite what we preach, our practice makes it very risky (in career terms) for officers to venture outside their parent components, particularly parent directorates, especially for any length of time. A's fitness reports are meaningless to B. Scarce promotion rations naturally go to those who are contributing daily to your immediate tasks (particularly since their complaints are less easily ignored). When a reduction exercise comes up, an officer who is already working for someone else is naturally surplus to your current needs.

47. I would recommend a fairly radical revision in our current personnel system along the following lines:

a. There should be a separate personnel cone for each major line directorate (with, probably,

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sub-cones for major occupational specialties within that directorate, but these sub-cones should be keyed to occupational differentiation, not to offices of assignment.)

b. There should be an entirely separate cone for all personnel detailed outside of their parent directorate who are not actually (and immediately) transferred into another directorate's cone. This detailee cone, occupationally sub-differentiated as necessary, should be administered -- at all levels and in its separate components -- by an inter-directorate panel chaired by an officer designated to serve as the representative of the DCI's office. Officers on detail would belong to this cone and their personnel affairs (disciplinary action, commendations, promotions, transfers) would be handled by it. Regulations should be written which compel the line directorate cones to give "full faith and credit" to the actions of the detailee cone; e.g., an X directorate officer detailed to directorate Y as a GS-12 who, three years later, has been promoted by the detailee cone to GS-14 would have to be accepted back by X directorate as a GS-14 with no argument.

c. The cone system would be applied up through GS-15. All supergrades would be considered Agency general officers, not the property of any directorate. Our philosophy, in short, would be that of the Army. Up through full colonel, an officer belongs to a branch. He is an infantry officer, artillery officer, armored corps officer, etc. Beyond that, he drops his branch affiliation (and insignia) and becomes a general officer,

period (with "general," perhaps unintentionally, carrying two senses -- rank and function). The new system for supergrades would work as follows:

(1) At various intervals (annually, some other period and/or at the DCI's pleasure) the managers of each directorate cone, plus the cone for detailees, would be invited to submit full files and particulars on the top X percent of their GS-15s (competitively rated), with the proviso that if X arithmetically worked out to, say, 10 and there were 12 officers who clearly stood head and shoulders above their cone peers, all 12 names could be forwarded. These names would be submitted to a panel chaired by a representative of the DCI's office and composed of appropriately senior officers (GS-17s or above) from each directorate, plus appropriate spokesmen for the detailee cone. This panel would review all the files submitted and recommend to the DCI that he award (by promotion) the number of GS-16 slots it was deemed in the Agency's interest to confer at that time, apportioning this mix in a manner deemed to be in the Agency's best overall interests. The final decision on promotions to GS-16, however, would be the DCI's. (Narrow parochialism and excessive zeal in pursuing one's parent component's parochial interests would not have much survival value under this system.)

(2) At similar intervals (and/or the DCI's pleasure), the Agency's GS-16s

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would be ranked and considered for promotion to GS-17 by a panel composed of the line directorate heads' deputies (plus, if necessary, a balanced mix of GS-18s or better from these directorates) and chaired by the DCI's representative. This panel would submit to the DCI its recommendations on those GS-16s whom it felt he should promote to GS-17, though again (obviously) the final choice would be the DCI's.

(3) At like intervals, the Agency's roster of GS-17s would be reviewed by a panel chaired by the Deputy Director whose members would include the heads of each major line directorate. This panel's recommendations on promotions to GS-18 would similarly be submitted to the DCI for his final disposition and action.

X. OVERALL MANAGEMENT

48. The schema outlined above would give you seven senior subordinates (not counting your principal deputy), each of whom would report directly to you. Their individual responsibilities would encompass the staff work necessary to enable you to perform your community leadership and, internally, the Agency's regular publications, the analysis function, technical collection and technological development, human collection and operations, internal housekeeping, and policy support.

49. The policy support group would handle, on a day-to-day basis, your responsibilities vis-a-vis your principal clients -- the President and those whom he charges with major foreign policy duties and responsibilities. Under your "policy support" deputy would be a panel of senior officers who would also be your assistants, each charged with being on top of a major geographic area or functional problem, in all its ramifications, capable of harnessing all Agency

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assets that bear on specific aspects of his (her) area or problem and, on that area or problem, always having your homework done on an up-to-the-minute basis.

50. In addition to these seven senior subordinates (plus any of the Assistants whom you care to have doing so at any given moment), four other senior officers should report directly to you: your General Counsel, Legislative Counsel, Inspector General, and Assistant for press and media matters.

51. Three other institutional devices will help you run the Agency the way you want it run and keep you properly supported in your community leadership role:

a. The first is your own personal office. This is obviously something whose structure should be totally determined by your preferences and the work pattern you find most congenial; but Mr. Helms' and Mr. Schlesinger's success with having a small office of two/three secretaries and one Executive Assistant plus a separate Secretariat/Registry strongly commends this type of structure as one worth considering. The Executive Assistant, if you go this route, should be a screener of paper, repository of information, collector of comments and messages worthy of your attention at your convenience (but not of direct intrusion on your time) and a follow-up man, along the lines of [redacted]

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[redacted] He should not become a screen between you and the Agency, bottleneck, independent power center or -- above all -- irritant complicating rather than facilitating the discharge of your senior subordinates' responsibilities.

b. The second is the Executive Committee or "Morning Meeting." It should consist of the eleven officers who report directly to you plus the DDCI, with (of course) yourself as Chairman. This would

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make a total of thirteen (counting yourself). Your Executive Assistant (or senior EA if you have more than one) plus the DDCI's Executive Assistant (or senior EA) should also attend. One of the latter, or both, should be charged with keeping the official minutes. With no disrespect whatsoever to Mr. Schlesinger, I would urge that these meetings be held daily (Monday through Friday) rather than just twice a week. They can be as brief as you want them to be. Even if this is a slight intrusion on the DCI's valuable time, I believe a daily caucus (however brief) is of benefit to the Agency and know it is of benefit to the DCI's immediate subordinates.

c. The third is the Management Committee, one of Mr. Schlesinger's most useful innovations. In addition to yourself as Chairman and the DDCI as Vice Chairman its members should include the deputies for analysis, technology, operations and management and services. It is your option whether you want your deputies for production and/or policy support to sit as members -- it is clearly desirable to keep the group small but good arguments could be made for including either or both of these officers. For cosmetic reasons, your Intelligence Community deputy should not sit as a permanent member of this group, which manages the Agency, though (as now) he should attend and participate in all discussions bearing directly on his responsibilities. The General Counsel, Legislative Counsel, Inspector General and Press Assistant need not be permanent members though, again, each should participate in deliberations directly affecting his assigned responsibilities. Your principal Executive Assistant and the DDCI's should sit as aides and share the note-taking, minute keeping responsibilities. Two further gambits will make this committee not only a

useful, effective management tool but a powerful instrument for furthering the "one Agency" concept:

(1) This committee should review, discuss and -- under your chairmanship -- determine all senior personnel appointments (with the understood proviso that you can always appoint whomever you wish to any position you desire to appoint him or her, ignoring here the appointment of a DDCI). To me, the term "senior appointments" includes the heads of major components in all directorates and all who serve as the DCI's personal representative, i.e., all Station Chiefs.

(2) With a DCI, distinguished DDCI and a good DDM&S, the Agency does not need an Executive Director. The Management Committee, collectively, can discharge the policy function of Comptroller. The Management Committee, however, does need an Executive Secretary. Excluding the DCI/Chairman and DDCI/Vice Chairman, this post should be rotated among the committee's full, permanent members at three or six month intervals. That would spread the work around. More to the point, this practice would periodically force each full member of the committee to concentrate on thinking in Agency-wide terms transcending his normal area of principal responsibility.

52. The schema outlined in this paper would keep each of your major continuing responsibilities (hence, collectively, all of them) covered at all times by a qualified, accountable senior officer reporting directly to you. At the same time, the number of such officers would be small enough to give you a reasonable and not overtaxed span of control. Under this system, with all of your bases permanently

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covered, you could be totally flexible, and so could your DDCI. You could apportion your time any way you chose to and personally concentrate on any particular problem area of immediate concern without worrying about your other areas of responsibility. Your DDCI, similarly, could concentrate his attention on any specific matters you wanted him to address without detriment to the ongoing whole. I believe such a system would efficiently and effectively serve you, the Agency, the community and the government that both of the latter were created to support.

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George A. Carver, Jr.

Special Assistant for Vietnamese Affairs

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